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FOREIGN CROPS AND MARKETS

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LATE CABLES . . .

Germany, including Austria, 1938 crop estimates reported as follows, with 1937 comparisons in parentheses: Late potatoes 7,259,000 acres (7,354,000), 1,894,890,000 bushels (2,087,502,000); sugar beets 1,337,000 acres (1,225,000), 17,716,000 short tons (18,384,000). (International Institute of Agriculture, Rome.)

Sweden 1938 area and production of specified crops estimated as follows, with 1937 comparisons in parentheses: Wheat 751,000 acres (734,000), 30,166,000 bushels (25,720,000); rye 497,000 acres (524,000), 15,787,000 bushels (16,250,000); barley 272,000 acres (255,000), 11,896,000 bushels (9,489,000); oats 1,648,000 acres (1,640,000), 98,105,000 bushels (87,171,000); potatoes 67,498,000 bushels (69,338,000); sugar beets 1,884,000 short tons (2,289,000). (International Institute of Agriculture, Rome.)

Burma first estimate of area sown to rice this season placed at 12,747,000 acres compared with final estimate of 12,861,000 acres sown for 1937-38 crop. (International Institute of Agriculture, Rome.)

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Recent estimates of bread-grain production

The 1938 wheat crop of 36 Northern Hemisphere countries for which estimates have been received totals 3,301,234,000 bushels as compared with 3,295,093,000 bushels produced by the same countries in 1937. Many recent reports show that crop returns have exceeded earlier expectations, and practically all the wheat-producing countries of the Northern Hemisphere have harvested larger crops this season than last, although indications point to a marked reduction in the Orient. The 1938 rye crop also greatly exceeded that of last season. Estimates for 28 countries total 1,107,703,000 bushels as compared with 873,097,000 bushels harvested last year. (For estimates of 1938 bread-grain production by country, see table, page 271.)

Rains are needed in Australia

Rainfall is needed in all the important wheat-growing States of Australia, according to a cable from the International Institute of Agriculture at Rome. During the month ended October 14, condition of the 1938-39 wheat crop declined in Western Australia, New South Wales, and Victoria. Serious damage is reported in Western Australia; and even in South Australia, where the crop is in fairly good condition, rains are said to be necessary to insure satisfactory harvest returns. No official estimate of the total Australian crop has been received, but unofficial reports range from 130,000,000 to 150,000,000 bushels compared with last year's crop of 188,018,000 bushels.

European cotton textile situation in September

Conditions in the European cotton textile industry during September were so exceptional that developments in that month can afford little indication of the current trend of developments, according to a report from the London office of the Bureau of Agricultural Economics. In general, depression in the industry in Western Europe and Italy persisted, and the threat of imminent war seemed to aggravate an already unsatisfactory business situation. There is not much in the outlook for the immediate future to justify an optimistic view of the industry's business prospects. Yet, since the agreement of the four powers at Munich at the end of the month has at least dissipated the danger of an imminent general war, it is thought that some business improvement, at least seasonal in nature, may now be expected.

There was very little raw cotton import buying from the United States by European countries during September, but some increase in purchases from European port stocks occurred in anticipation of shipping hazards in the event of war. The jump in war-risk Insurance rates added first about 10 and then nearly 20 American points to the cost of landing cotton from the United States in Great Britain and at western continental ports. The increase was considerably more on competitive cottons moving via the Mediterranean. Insurance on shipments to Germany

and Italy was subject to special restrictions. On cargo to Germany at one time the cost reached 10.5 percent. All rates were drastically reduced following the Munich agreement.

Prices at Liverpool for American cotton were steady throughout the month, the increase in shipping costs and the fall of the sterling exchange rate combining to about offset the decline in United States prices. Competitive growths, however, became generally cheaper, except Egyptian. (See price table, page 273.)

Another considerable territorial change in Central Europe has brought a large share of the Czechoslovak cotton industry within the frontiers of Greater Germany. A large central European area, together with Italy, is now within the orbit of large-scale substitution of synthetic and reclaimed raw material for raw cotton in the spinning industry, and of the substitution of "barter cotton" for American. This area (Germany, Austria, Sudetenland, Italy) comprises roughly 19,000,000 cotton spinning spindles out of a total for continental Europe (excluding the Soviet Union) of 40,000,000 spindles.

Indian cotton acreage

The second official forecast of cotton area in India for the 1938-39 harvest is 21,492,000 acres, according to a cablegram from the Director of Statistics at Calcutta. This compares with a revised forecast of 20,731,000 acres at this time last year and a final estimate of 25,583,000 acres for the 1937-38 crop. Of this year's area, 3,234,000 acres are in the Punjab, the most important cotton-producing Province of India. The condition of this year's crop is reported to be 90 percent of normal.

Egyptian cotton ginnings below last year

Ginnings of the 1938 cotton crop in Egypt during September, the first month of the season, totaled 208,000 bales of 478 pounds net, according to a cablegram from the International Institute of Agriculture at Rome. This compares with September ginnings of 352,000 bales from the total 1937 crop of 2,282,000 balēs. The first estimate of total yield of ginned cotton from the 1938 crop is placed at 1,627,000 bales, compared with a first estimate of 2,309,000 bales for the 1937 crop.

North China has large walnut crop

The 1938 walnut crop in North China is reported larger than last season and of good quality, according to a radio received from the American Consulate General of Tientsin. No production figures were available, but it was estimated that the harvest would furnish a commercial supply of 250,000 cases (of 55 pounds each) of walnut kernels, as compared with 200,000 cases from the 1937 harvest. The carry-over of last year's walnuts in the interior was reported much larger than normal. Because of

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transportation difficulties, the quantity of walnuts available for export was very small during the 1937-38 marketing season. It is also problematical whether much of the old crop and a large amount of this year's harvest will be able to reach ports for export shipment this season. In nearby districts it is believed that 100,000 cases will be available for export, as compared with 86,500 cases for the preceding crop year.

Tientsin shipments of walnut kernels in September amounted to 1,785 export cases, of which 1,250 cases were exported to Canada, 335 to Australia, and 200 to the United States. The only shipment of walnuts in the shell consisted of 600 bags of 200 pounds each to Australia.

Exporters at Tientsin were quoting nominal c. and f. New York prices on walnut kernels early in October at 16 cents per pound for assortment of 20 percent halves, 40 percent quarters, and 40 percent pieces, of which 90 percent were light meat and 10 percent light ambers.

Australian wool market firm

Firm prices and keen general competition marked the October 17 opening of the current Brisbane sales, according to a cable from the London office of the Bureau of Agricultural Economics. France and Germany were the chief buyers of a good selection of offerings, with fair support of the market also coming from British sources. Excellent clearances were effected. Japanese buying was on a restricted basis. All prices were very firm in relation to the prices made at the October 13 close of the Sydney sales.

A report dated October 3 from Consul E. E. Evans at Bradford pointed out the favorable effect upon the wool trade of the prospects for continued peace in Europe. During the period of uncertainty, high war-risk insurance rates were one of the outstanding hindrances to the movement of wool. Shipments from producing countries were delayed pending either a reduction in rates or evidence of a continued high level. By October 1, however, lower insurance quotations aided in clearing warehouses at Sydney in time to facilitate operations at sales closed October 13.

When the insurance rates were at their peak, they represented charges of at least 2 cents per pound on the cost of merino tops, Mr. Evans reports. Many leading topmakers refused to make firm offers under such unsettled conditions, while others made such high protective quotations as to be unacceptable to buyers. Several Yorkshire exporters stopped shipping wool, tops, and yarns to continental countries during the week ended October 1, owing to uncertainties about payment if hostilities began. At the time of reporting, however, it could be said that topmakers were in a position to make more attractive proposals, and to consider resumption of cross-channel business.

WHEAT AND RYE: Production in specified countries,
1935-1938

Country	1935	1936	1937	1938
	1,000	1,000	1,000	1,000
<u>WHEAT</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>
United States.....	626,344	626,766	873,993	940,229
Canada.....	281,935	219,218	182,410	358,433
Total.....	908,279	845,984	1,056,403	1,298,662
France.....	284,950	254,618	257,838	319,300
Italy.....	282,760	224,570	296,284	296,960
Spain.....	157,986	121,492	132,000	102,900
Germany.....	171,488	162,660	164,121	198,524
Poland.....	73,884	78,357	70,775	80,800
United Kingdom.....	65,434	55,265	56,350	70,600
Eire.....	6,686	7,839	6,990	7,700
Czechoslovakia.....	62,095	55,583	51,266	65,697
Greece.....	27,180	19,537	32,375	35,494
Norway.....	1,869	2,094	2,497	2,609
Sweden.....	23,610	21,635	25,720	30,166
Denmark.....	14,673	11,267	13,520	14,000
Netherlands.....	16,653	15,428	12,555	15,432
Belgium.....	16,093	16,153	15,550	18,482
Portugal.....	22,093	8,651	14,403	15,800
Switzerland.....	5,974	4,468	6,221	6,096
Austria.....	15,510	14,043	14,470	16,200
Lithuania.....	10,093	8,027	8,109	9,076
Latvia.....	6,520	5,272	6,301	7,643
Estonia.....	2,267	2,433	2,786	3,028
Finland.....	4,233	5,259	7,665	7,643
Luxemburg.....	1,022	1,071	1,206	1,233
Total.....	1,273,073	1,095,722	1,199,002	1,325,383
Bulgaria.....	47,925	60,351	64,909	63,933
Hungary.....	84,224	87,789	72,158	96,414
Rumania.....	96,439	128,717	138,159	183,933
Yugoslavia.....	73,100	107,422	86,238	100,902
Total Danube Basin..	301,688	384,279	361,464	445,182
Total Europe.....	1,574,761	1,480,001	1,560,466	1,770,565
Algeria.....	33,533	29,774	33,106	32,433
Morocco.....	20,036	12,234	20,895	21,476
Egypt.....	43,222	45,700	45,376	45,929
Tunis.....	16,902	8,084	17,637	13,962
Total North Africa..	113,693	95,792	117,014	113,800
India.....	363,216	351,681	364,075	402,453
Japan.....	48,718	45,192	50,410	45,000
Chosen.....	9,747	8,095	10,242	10,333
Turkey.....	92,640	141,582	136,483	160,421
Total.....	514,321	546,550	561,210	618,207
Total all countries...	3,111,054	2,968,327	3,295,093	3,801,234

Continued -

WHEAT AND RYE: Production in specified countries,
1935-1938, cont'd

Country	1935	1936	1937	1938
<u>RYE</u>	<u>1,000 bushels</u>	<u>1,000 bushels</u>	<u>1,000 bushels</u>	<u>1,000 bushels</u>
United States.....	58,597	25,319	49,449	52,500
Canada.....	9,606	4,281	5,771	12,365
Total.....	68,203	29,600	55,220	64,865
France.....	29,371	28,150	29,119	31,664
Spain.....	19,205	18,054	19,684	16,900
Germany.....	294,399	290,788	272,296	333,170
Austria.....	24,415	18,609	16,830	23,266
Czechoslovakia.....	64,501	56,548	58,446	66,138
Poland.....	260,498	250,536	221,949	266,000
Lithuania.....	25,220	21,354	23,894	24,644
Norway.....	483	425	443	433
Sweden.....	16,902	13,838	16,250	15,787
Netherlands.....	18,433	18,736	18,928	20,668
Belgium.....	15,038	14,060	13,583	15,432
Luxemburg.....	452	449	392	426
Italy.....	6,225	5,204	5,701	5,333
Switzerland.....	1,295	1,079	1,297	1,281
Latvia.....	14,326	11,260	16,592	16,100
Estonia.....	6,804	6,044	8,327	6,929
Finland.....	13,760	12,135	16,982	14,054
Denmark.....	11,178	7,842	9,888	10,600
Greece.....	2,183	1,654	2,579	2,441
Portugal.....	4,674	3,466	4,642	4,700
United Kingdom.....	394	394	276	300
Eire.....	69	68	55	80
Total.....	829,825	780,693	758,153	876,346
Bulgaria.....	7,767	8,188	9,387	8,822
Hungary.....	28,650	28,115	24,325	32,255
Rumania.....	12,724	17,842	17,769	26,364
Yugoslavia.....	7,719	8,002	8,243	9,051
Total Danube Basin..	56,860	62,147	59,724	76,492
Total Europe.....	886,685	842,840	817,877	952,838
Total all countries...	954,888	872,440	873,097	1,017,703

Compiled from official sources and reports from the International Institute of Agriculture or the foreign offices of the Bureau of Agricultural Economics.

COTTON: Price per pound of representative raw cotton at Liverpool,
October 14, 1938, with comparisons

Growth	1938							
	Aug.			Sept.			Oct.	
	26	2	9	16	23	30	7	14
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
American -								
Middling.....	9.54	9.81	9.46	9.62	9.52	9.64	9.98	10.34
Low Middling.....	8.23	8.49	8.15	8.32	8.22	8.33	8.69	9.06
Egyptian (Fully Good Fair) -								
Sakellaridis.....	15.53	15.67	15.40	15.73	15.84	16.32	15.93	16.38
Uppers.....	12.15	12.39	12.15	12.30	12.26	12.45	12.76	13.10
Brazilian (Fair) -								
Ceara.....	8.63	8.90	8.56	8.72	8.62	8.63	8.99	9.25
Sao Paulo.....	9.24	9.50	9.16	9.32	9.22	9.24	9.58	9.85
East Indian -								
Broach (Fully Good).....	7.51	7.74	7.45	7.52	7.42	7.27	7.53	7.60
C.P. Omra No. 1, Superfine	8.23	7.99	7.69	7.76	7.66	7.51	7.77	7.83
Sind (Fully Good).....	6.94	7.08	6.79	6.86	6.76	6.61	6.83	6.91
Peruvian (Good) -								
Tanguis.....	12.76	13.04	12.47	12.62	12.52	12.45	12.78	-

Converted at current exchange rates.

UNITED STATES: Exports of cotton to principal foreign markets,
annual 1936-37 and 1937-38, and the seasons
August 1-October 13, 1937 and 1938 a/
(Running bales)

Country to which exported	Year ended July 31		August 1 - October 13	
	1936-37	1937-38	1937	1938
	1,000 bales	1,000 bales	1,000 bales	1,000 bales
United Kingdom.....	1,221	1,630	353	99
Continental Europe.....	2,594	3,047	740	505
Total Europe.....	3,815	4,677	1,093	604
Japan.....	1,593	728	59	202
Other countries.....	380	541	60	48
Total.....	5,788	5,946	1,212	854
Linters.....	277	270	52	42
Total excluding linters	5,511	5,676	1,160	812

Compiled from the Weekly Stock and Movement Report, New York Cotton Exchange.
a/ Includes linters.

BUTTER: New Zealand grading, 1933-39 season to October 8,
with comparisons

Date	1936-37	1937-38	1938-39
<u>Week ended</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>
August 6.....	2,016	1,792	1,708
13.....	2,811	2,688	2,072
20.....	3,366	3,416	2,817
27.....	4,032	3,808	3,360
Monthly total.....	12,225	11,704	9,957
September 3.....	5,040	4,816	3,864
10.....	5,544	5,488	4,368
17.....	5,880	6,272	4,928
24.....	6,664	6,944	5,544
Monthly total.....	23,128	23,520	18,704
October 1.....	7,560	7,896	5,936
8.....	8,120	8,008	6,776
Total to October 8..	51,033	51,128	41,373

Agricultural Attaché C. C. Taylor, London.

BUTTER: Australian grading, 1938-39 season to October 1,
with comparisons

Date	1936-37	1937-38	1938-39
<u>Week ended</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>
July 9-30.....	2,370	3,400	6,868
August 6.....	943	1,310	2,283
13.....	1,942	1,102	1,519
20.....	1,516	1,107	1,837
27.....	2,027	1,418	2,551
Monthly total.....	6,428	4,937	8,190
September 3.....	2,612	1,693	2,345
10.....	2,639	2,083	3,553
17.....	3,060	3,026	4,099
24.....	3,759	3,642	4,101
Monthly total.....	12,070	10,444	14,098
October 1.....	3,721	3,842	5,340
Total to October 1..	24,589	22,623	34,496

Weekly Dairy Produce Notes, Imperial Economic Committee, London.

BUTTER: Price per pound in New York, San Francisco, Copenhagen, and London, October 13, 1938, with comparisons

Market and description	October 14, 1937	October 6, 1938	October 13, 1938
	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>
New York, 92 score.....	36.0	26.2	26.2
San Francisco, 92 score.....	35.5	28.5	28.0
Copenhagen, official quotation..	26.1	22.4	21.4
London:			
Danish.....	32.2	27.7	26.8
New Zealand.....	29.9	24.8	24.1
Netherland.....	29.6	24.0	22.9

Foreign prices converted at current rates of exchange.

LIVESTOCK AND MEAT: Price per 100 pounds in specified European markets, October 12, 1938, with comparisons a/

Market and item	Week ended		
	October 13, 1937	October 5, 1938 <u>b/</u>	October 12, 1938 <u>c/</u>
	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>
Germany:			
Price of hogs, Berlin.....	17.65	17.96	17.24
Price of lard, tcs., Hamburg	11.87	10.16	-
United Kingdom: <u>d/</u>			
Price at Liverpool, first quality -			
American green bellies.....	Nominal	14.37	15.50
Danish Wiltshire sides.....	21.58	21.08	21.03
Canadian green sides.....	20.54	20.12	19.96
American short cut green hams.....	24.45	20.49	20.95
American refined lard.....	14.53	10.49	10.38

Liverpool quotations are on the basis of sales from importer to wholesaler.

a/ Converted at current rate of exchange.

b/ Prices suspended from September 26 to October 10.

c/ October 11 to 14.

d/ Week ended Friday.

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